

EXHIBIT B

IN THE COURT OF COMMON PLEAS
SUMMIT COUNTY, OHIO

RUTH WHITE, AGENT FOR
MARY I. WHITE
439 N. MAIN ST.
HUDSON, OH 44236,
PLAINTIFF

v.

CASE NO.
JUDGE

COMPLAINT FOR BREACH
OF CONTRACT AND BAD
FAITH AND
DEMAND FOR JURY TRIAL

SENIOR HEALTH INSURANCE
COMPANY OF PENNSYLVANIA
P.O. BOX 64913
ST. PAUL, MN 55164

And service copy to its Ohio Statutory Agent:
SENIOR HEALTH INSURANCE COMPANY
OF PENNSYLVANIA
CSC-LAWYERS INCORPORATING SERVICE
50 WEST BROAD STREET
COLUMBUS, OH 43215
DEFENDANT

FIRST CLAIM

1. Plaintiff, Mary I. White (hereinafter WHITE), has at all times relevant to this action been a resident of Summit County, Ohio. Ruth White is the duly authorized agent for Mary I. White pursuant to the Durable Power of Attorney executed by Mary I White on April 28, 2013.

2. On January 24, 1996, in Hudson, Ohio, WHITE applied for and was issued a Long Term Care Insurance Policy by American Travellers Life Insurance Company- Policy 528473 (hereinafter the

POLICY). A copy of the Policy and "Alternative Plan of Care" rider is attached as **Plaintiff's Exhibit 1**.

3. DEFENDANT SENIOR HEALTH INSURANCE COMPANY OF PENNSYLVANIA (hereinafter referred to as SHIP) is the successor in interest to the American Travellers Life Insurance Company,

4. WHITE was interested in purchasing a Long Term Care Policy that provided benefits for a person in their home, the SHIP's POLICY provided for an "Alternative Plan of Care" benefit that would provide cash benefits to pay for home health care, adult day care, respite care, hospice services, different sites of care, and modifications to the insured's residence to accommodate mobility needs. The terms of the POLICY provided that SHIP would not pay the long term benefits unless SHIP was first reasonably satisfied the insured would otherwise require nursing home confinement.

5. From January 24, 1996, to the present, WHITE complied with all the terms of the POLICY. SHIP contracted with WHITE to pay up to \$130.00 per day for a period of three (3) years. Since January 24, 1996, WHITE has paid SHIP all premiums due. SHIP has not paid WHITE a dime under Policy 528473.

6. WHITE'S mental and physical health deteriorated over time, and in 2013, WHITE'S attorney in fact, Ruth White, filed a claim with SHIP for Long Term Care Benefits under Policy 528473. This claim was supported by White's physician's report describing the care plan White needed at her home. There was also a Nursing assessment by the staff providing care to White in her home. The medical and nursing reports stated that WHITE needed assistance or support in every area of living, but could manage at home with the necessary care support.

7. WHITE'S May 2013 claim was denied. SHIP's Long Term Care Claims Manager, Luann Bell; wrote in her June 23, 2013, letter that "after SHIP's review of the medical care plan assessment, care notes, and the results of a recent onsite nursing assessment, and conversation with Ruth White, SHIP determined that Mary White needs assistance with bathing, dressing, toileting, transferring, mobility and continence. Bell's letter states that WHITE's Policy only covers Long Term Care Facility or Assisted Living Facility Care (**Plaintiff's Exhibit 2**). This statement in Bell's letter is untrue and contrary to the express language of the Policy. Despite its own findings that WHITE clearly was physically eligible for benefits under SHIP's Policy, Bell's August 1, 2013, letter denies benefits to WHITE "unless the services are provided at a Long Term Care Facility or Assisted Living Facility".

8. SHIP's denial of WHITE's May 2013, claim under the Policy in 2013, was appealed for reconsideration by SHIP on August 19, 2013. SHIP's Consumer Support Specialist, Lachiana Redmond, rejected the reconsideration on September 19, 2013 (**Plaintiff's Exhibit 3**). In part, SHIP's denial states "*This denial is based on the lack of proper medical documentation to support the request that covered benefits, under the policy, are not suitable for her.*"

9. WHITE's condition, from May 2013 through April 2017 met the criteria under the Policy, and WHITE provided alternative plans of care endorsed by her physician that would permit her to

remain in her home. In spite of this, SHIP repeatedly denied benefits to WHITE without reasonable cause under the terms of its POLICY.

10. SHIP's refusal to pay long term care benefits to WHITE is a breach of contract, resulting in White's loss of benefits of one hundred forty two thousand and three hundred fifty dollars (\$142,350.00).

SECOND CLAIM

11. Plaintiff re-alleges paragraphs 1 through 9 above as if fully re-written herein.

12. WHITE's mental and physical conditions from May 2013 through the date of this Complaint have deteriorated. WHITE has submitted additional claims for benefits under her Policy with SHIP, most recently in January 2016 through October 2016.

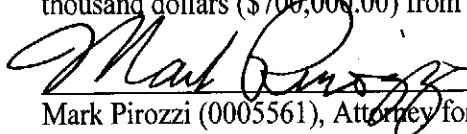
13. Every claim for benefits under the Policy WHITE purchased from SHIP in 1996 has been denied. The reasons given have changed depending on what employee from SHIP was writing the rejection of the claim, but the conduct of SHIP constituted bad faith rejections of WHITE's claims, given SHIP's own documentation and admission in June 2013, that WHITE's condition warranted payment of the per diem Policy benefits provided for in SHIP's Policy with WHITE.

14. The conduct of SHIP's bad faith rejections, beginning in 2013 and continuing through 2016, of WHITE's claims for benefits under her Policy constitutes a pattern of corporate abuse and oppression of its elderly Policy holder, Mary White.

DEMAND FOR RELIEF

1. On her First Claim for breach of contract, Mary White requests compensatory damages from SHIP in the amount of one hundred forty two thousand dollars (\$142,000.00); and costs of this action.

2. On her Second Claim for bad faith breach of contract, Mary White requests compensatory damages of one-hundred forty two thousand dollars; and punitive damages of seven hundred thousand dollars (\$700,000.00) from SHIP; and an award of attorney fees and costs of this action.



Mark Pirozzi (0005561), Attorney for Plaintiff

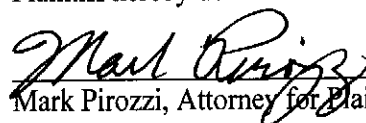
Mark Pirozzi LLC

3560 W. Market St. Suite 305 A-B

Fairlawn, OH 44333 Phone: 234-525-6444 Fax: 330-247-1223

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a trial by jury.



Mark Pirozzi, Attorney for Plaintiff

AMERICAN TRAVELLERS LIFE INSURANCE COMPANY
3220 Tillman Drive • Bensalem, Pennsylvania 19020
TOLL FREE NUMBER 1-800-441-3978

POLICY FORM NO. ATL-LTC-1-OH-94



COPY

USING THE OUTLINE OF COVERAGE

This is **not** an insurance Policy. This is only an **outline** of the benefits and limitations of a long term care insurance Policy, showing some of its most important features. When shopping for insurance you can compare this outline with outlines of other policies. After you have bought a policy, this outline will help you understand what the policy covers. However, the Policy itself is the legal contract. Ask for a "specimen" copy of the policy and read it carefully before you buy.

This Outline of Coverage has been completed by Richard SPIESER, on JAN 24, 1996

SUMMARY OF BENEFITS & LIMITATIONS

Location of Care: This Policy will pay for care only when medically necessary and provided in the following locations:

☒ Company-approved nursing home ☒ Other nursing homes ☒ Your own home ☐ Adult Day Care Facility

Home Health Care: This Policy will pay for the following levels of care in your home.

☐ Custodial ☐ Intermediate ☐ Skilled ☐ Care provided by relatives

Deductible or Elimination Period: This Policy will **not** pay **any** benefits until you have paid your long-term care bills for the following number of days:

Nursing Home Care: 0 Days Home Health Care: _____ Days

Daily Benefits: After the deductible or elimination period, this Policy will pay [up to these amounts for each day of care.

Nursing Home: \$ 130.00 Home Health Care: \$ _____ Adult Day Care: \$ _____ /day

Duration of Benefits: The Policy will not pay benefits for longer than:

Nursing Home: 3 Years or \$ 975.00 Home Health Care: _____ Years or \$ _____

Determination of Need: Before it will start paying, this Policy requires the following proof that you need long term care: ☒ Certification by your doctor ☒ Certification by the company's doctor

☒ Confirmation that you cannot perform specific "activities of daily living" ☐ Other

Inflation Protection: This Policy's benefits [will / will not] increase to help keep up with the cost of long-term care.

☐ Benefits increase automatically ☐ You will have the right to buy higher benefits in the future

Policy Cost: Annual premium if you buy at age: 67 is \$ 975.00

☐ Premiums will increase as benefits increase ☐ Premiums will increase only if rates go up for all Policyholders

CAUTION: The Policy has other benefits and limitations. Read the rest of this outline as well as the Policy itself for all the details. The agent or company must provide you a copy of a booklet called *Shopper's Guide to Long-Term Care Insurance*.

ATL-LTC-1-OC-OH-94

PLAINTIFF'S EXHIBIT 1

RIGHT TO RETURN POLICY

If you are not satisfied with your Policy, you may return it to the company for a refund. If you send it back to us within thirty (30) days after you receive it, we will treat the Policy as if it had never been issued and return all of your payments.

INSURANCE COUNSELING IS AVAILABLE

The State of Ohio provides free insurance counseling for senior citizens. Call 1-800-686-1578

Policy Form Number ATL-LTC-1-OH-94

CAUTION: The issuance of this long term care insurance Policy will be based upon your responses to the questions on the application.

1. This Policy is an individual Policy of insurance which was issued in Ohio.

2. Purpose of Outline of Coverage: This outline of coverage provides a very brief description of the important features of the Policy. You should compare this outline of coverage to outlines of coverage for other policies available to you. This is not an insurance contract, but only a summary of coverage. Only the individual Policy contains governing contractual provisions. This means that the Policy sets forth in details the rights and obligations of both you and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you **read your Policy carefully!**

3. Terms under which the Policy may be returned and premium refunded. (A) You have a right to return the Policy within 30 days of receipt, if dissatisfied for any reason. All payments will be refunded. (B) You have the right to cancel this Policy at any time. Any unearned portion of premium paid will be refunded.

4. This is not Medicare supplement coverage. If you are eligible for Medicare, review the Medicare supplement buyer's guide available from the insurance company. Neither American Travellers Life Insurance Company nor its agents represent Medicare, the Federal government, or any state government.

5. Long Term Care Coverage. Policies of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting other than an acute care unit of a hospital, such as a nursing home, in the community or in the home. This Policy provides coverage in the form of an indemnity benefit for covered long term care expenses, subject to Policy limitations and Elimination Periods.

6. Benefits Provided By This Policy.

(A) Daily benefits are provided for Confinement in a Long Term Care Facility. There is a Maximum Benefit Period and the Policy may provide, at your option, for an Elimination Period. All benefits are subject to Confinement being prescribed as Medically Necessary by a Physician. In addition, if the Confinement may be as a result of Cognitive Impairment or the inability to perform 2 or more Activities of Daily Living. The following is a summary of the benefits you have selected:

LONG TERM CARE OR HOME HEALTH CARE

Daily Maximum Benefit	\$	<u>130.⁰⁰</u>	
Elimination Period		<u>0</u>	Days
Maximum Benefit Period		<u>3</u>	Years

Restoration of Benefit: Original Maximum Benefit period restored if benefits haven't been paid or required for 180 days.

7. Limitations and Exclusions.

(A) Loss due to Pre-Existing Conditions (conditions for which medical advice or treatment was recommended by or received from a Physician within 6 months preceding your effective date) will only be covered if the loss begins after coverage is in force for 6 months.

(B) Services provided by Long Term Care Facilities as defined in the Policy are the only services that may be eligible for coverage. Unlicensed providers are not eligible nor are services provided by Immediate Family members.

(C) Benefits are not provided for loss cause by: (1) routine physical examinations; (2) Injury or Sickness for which a benefit is payable under any Worker's Compensation or Occupational Disease Law; (3) simple rest care, hotel or retirement home expense or other expense which is related to your residence and not a result of Long Term Care; (4) declared or undeclared war or act thereof; (5) mental, nervous or emotional disorders without demonstrable organic origin (**NOTE: This exclusion does not apply to Alzheimer's Disease or other organic brain syndromes. These diseases are covered by the Policy like any other sickness subject to the Pre-Existing Conditions Limitation.**); (6) charges for Care or Service that you, or your Covered Spouse, would not be obligated to pay in the absence of this insurance; (7) attempted suicide or intentionally self-inflicted injury; (8) drug or alcohol use unless administered by a Physician; and (9) your participation in a felony, riot or insurrection. Benefits otherwise payable under this Policy will be reduced by any amounts paid by Medicare for the same care, services, or supplies.

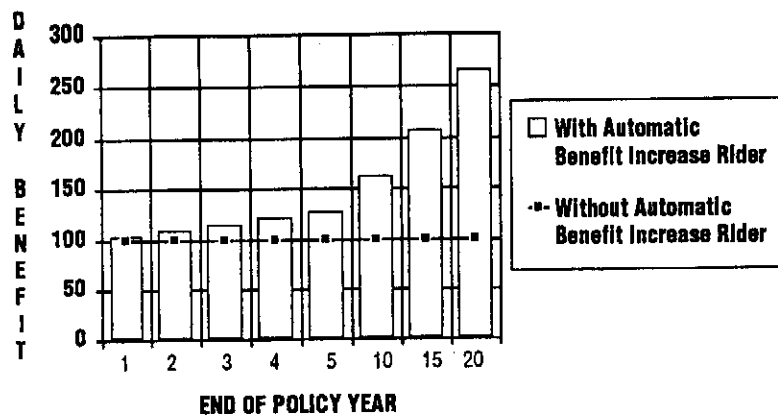
This Policy may not cover all the expenses associated with your long term care needs.

8. Relationship of cost of care and benefits. Because the cost of long term care services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted.

(A) The benefit level will not increase over time unless optional coverage is selected.

(B) Optional additional coverage is available. It is subject to payment of additional premiums calculated based on your age at issue and health history. The coverage provides for a benefit increase of 5% compounded annually. This coverage must be selected at the time the policy is applied for as there is no guarantee to buy this additional benefit at a later date.

You have selected this coverage ☐ YES ☐ NO. The additional premium for this coverage is \$_____.



9. Terms under which the Policy may be continued in force or discontinued.

(A) **GUARANTEED RENEWABLE POLICY.** This Policy is guaranteed renewable. That means your coverage will continue as long as you pay the premium within the allowable time. We cannot make any change in the coverage or benefits without your consent. We can raise your premium with 30 days written notice, but only if we raise the premiums for all policies like yours in this state.

(B) **WAIVER OF PREMIUM.** We will waive the payment of each premium coming due after benefits have been payable under the Policy for at least 90 continuous days. Premium will be payable again on the premium due date next following the date benefits stop.

(C) We may change premiums but only if we do so for all persons covered under the same policy form series in your state. You will receive 30 days advance written notice of any increase.

10. Alzheimer's Disease and Other Organic Brain Disorders. The Policy provides coverage for clinically diagnosed Alzheimer's Disease and other organic brain disorders. Benefits are provided as they would be for any other sickness or disease and are subject to the same limitations and exceptions as other sicknesses or diseases.

11. Premium. The annual premium for the coverage you have selected is:

<u>COVERAGE</u>	<u>ANNUAL PREMIUM</u>
Policy	\$ 975. ⁰⁰
Additional Rider _____	\$ _____
Additional Rider _____	\$ _____
TOTAL	\$ 975.⁰⁰

There is a first time only policy fee of \$ 25.⁰⁰ payable at the same time as the policy premium.

12. Additional Features.

(A) Policies are issued based on the applicant's medical health history.

(B) Optional rider form series ATL-RPB is available in some states. This rider provides for a return of premium under certain circumstances. Refer to the Rider for details. If you have selected this optional rider, the premium is noted in item 11 above.

(C) Optional rider form ATL-BIR-LTC-1-93 providing automatic annual benefit increases is described in item 8.

**COPY****MARY I WHITE****528473**

**THIS IS YOUR POLICY WITH
AMERICAN TRAVELLERS LIFE INSURANCE COMPANY
(ATL LIFE INSURANCE COMPANY IN TX & CA)**

**IF YOU HAVE A CLAIM OR QUESTION CALL OUR
CUSTOMER SERVICE DEPARTMENT TOLL FREE AT**

1-800-441-3978

877-452-5824

**WE ARE PROUD TO HAVE YOU AS A POLICYHOLDER AND LOOK
FORWARD TO PROVIDING YOU WITH THE BEST POSSIBLE SERVICE !**



AMERICAN TRAVELLERS LIFE INSURANCE COMPANY

Bensalem, Pennsylvania

(Referred To In This Policy As "We", "Us", or "Our")

NOTICE TO BUYER: THIS POLICY MAY NOT COVER ALL OF THE COSTS ASSOCIATED WITH HOME HEALTH CARE AND LONG TERM CARE INCURRED BY THE BUYER DURING THE PERIOD OF COVERAGE. THE BUYER IS ADVISED TO CAREFULLY REVIEW ALL POLICY LIMITATIONS.

In this Policy "you" or "your" refers to the Insured named in the Policy Schedule.

We agree to insure you against loss due to Injury or Sickness to the extent stated in this Policy. Payment of benefits under this Policy is subject to all of its terms. Your spouse may also be insured by this Policy. Refer to the Policy Schedule and the definition of Covered Spouse. In the event of your death your Covered Spouse, if any, will automatically succeed you as the Insured and the premium will be adjusted accordingly. In the event of your death, or your Covered Spouse's death, any unearned premium, with respect to that coverage, will be refunded to your Beneficiary, if we receive proof of death prior to the end of the term of coverage for which premium has been paid.

CONSIDERATION - EFFECTIVE DATE - TERM

This Policy is issued in consideration of: (1) the advance payment of the Initial Premium on or before the Effective Date; and (2) the statements contained in the attached application. This Policy is effective at 12 Noon, at your residence, on the Effective Date shown in the Policy Schedule. It continues in force for the Term specified in the Policy Schedule subject to the Grace Period. This Policy may be renewed in accordance with the Guaranteed Renewability provision.

NOTICE OF THIRTY DAY RIGHT TO EXAMINE POLICY

Carefully read this Policy as soon as you receive it. If you are not satisfied, for any reason, you may return it to us and we will refund all premium you have paid. You must, however, return the Policy within 30 days after you receive it in order to receive a refund. If Premium is refunded, the Policy will be considered void from the beginning.

GUARANTEED RENEWABLE POLICY

This Policy is guaranteed renewable. That means your coverage will continue for life as long as you pay the premium within the allowable time. We cannot make any change in coverage or benefits without your consent. We can raise your premium with thirty days written notice, but only if we raise the premiums for all policies like yours in this state.

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IMPORTANT NOTICE ABOUT STATEMENTS IN THE APPLICATION

Caution: The issuance of this long term care insurance policy is based upon your responses to the questions on your application. A copy of your application is attached. If your answers are incorrect or untrue, the company has the right to deny benefits or rescind your policy. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your answers are incorrect, contact the company at this address: 3220 Tillman Drive, Bensalem, Pennsylvania, 19020.

DEFINITIONS

See Amendment Rider, Pg 10
"ACTIVITIES OF DAILY LIVING (ADL's)" are: bathing (getting in and out of the bathtub or shower, utilizing normal bathroom facilities that have been equipped with railings and steps); dressing (tying shoes, buttoning buttons or clasps); eating (consuming food or drink, or utilizing utensils appropriate for the person's physical condition and which are placed within reach); toileting (maintaining adequate bathroom hygiene and toilet habits); and transferring to or from bed or chair (getting from a bed to a chair or a chair to a bed).

See Amendment Rider, Pg 10
"COGNITIVE IMPAIRMENT" means a deficiency in the ability to think, perceive, reason and/or remember that results in the inability to take care of oneself without the ongoing assistance of another person. Cognitive impairment is evaluated and measured through clinical evidence and standardized tests. Cognitive impairment is indicated by measurable deficits in memory, orientation or reasoning, such as those caused by Alzheimer's Disease or similar forms of senility or irreversible dementia.

See Amendment Rider, Pg 10
"CONFINED OR CONFINEMENT" means assigned to a bed and physically within a Long Term Care Facility, while coverage is in force.

"COVERED SPOUSE" means the Insured's spouse for whom application has been made and premium paid. A Covered Spouse must be approved by the Company and named in the Policy Schedule.

"ELIMINATION PERIOD" means the period of time, stated in the Policy Schedule, for which you received Care or Service and for which no benefits are payable and, which must pass before benefits will be payable under this Policy. The Insured must satisfy this Elimination Period requirement at the beginning of each new Period of Care. When benefits do begin, they will not be retroactive to the beginning of the Elimination Period.

"HOSPITAL" means an institution which is: 1) operated pursuant to law; 2) primarily and continuously engaged in providing medical care and treatment of sick or injured persons on an in-patient basis; and 3) provides 24 hour nursing service by or under the supervision of registered graduate professional nurses (R.N.'s). It shall not include: (1) any military or veterans hospital or soldiers home or any hospital contracted for or operated by any national government or agency thereof for the treatment of members or ex-members of the armed forces except for emergency services where a legal liability exists for charges made to the individual for such services; (2) convalescent homes, convalescent, rest, or nursing facilities; or (3) facilities primarily for the age, drug or alcoholic rehabilitation and those primarily affording custodial or educational care.

No claim for benefits under this Policy for treatment, Care or Services in a licensed Hospital which is accredited by the Joint Commission on the Accreditation of Hospitals, the American Osteopathic Association, or the Commission on the Accreditation of Rehabilitative Facilities shall be denied because such Hospital lacks major surgical facilities and is primarily of a rehabilitative nature if such rehabilitation is specifically for treatment of physical disability.

10
"IMMEDIATE FAMILY" means you, your spouse and respective parents, children, grandchildren and siblings or anyone living at your residence.

"INJURY" means accidental bodily injury sustained while this Policy is in force, which is the direct and independent cause which results in loss covered by this Policy.

"LONG TERM CARE FACILITY" means a place which: 1) is legally operated to provide nursing care (skilled, intermediate or custodial) for sick and injured persons at their expense; 2) is licensed by the state as a convalescent nursing facility, a skilled nursing facility, an intermediate care facility, a custodial care facility; or any equivalent facility which meets the requirements of this definition; 3) provides, in addition to room and board accommodations, 24 hour nursing service by or under the supervision of a Physician or a graduate registered nurse (R.N.); 4) maintains a daily record of each patient which is available for our review; and 5) administers a planned program of observation and treatment by a Physician (other than the proprietor or an employee of such facility) which is in accordance with existing standards of medical practice for the injury or sickness causing the confinement.

"LONG TERM CARE FACILITY" does not mean a facility or any part of a facility used primarily for: rest care; training; education; care of the aged; or treatment of alcoholism, drug addiction or Mental or Nervous Disorders. Facilities primarily engaged in providing retirement residences, such as apartments or other self-contained living units, are not Long Term Care Facilities; however, a distinctly separate part of such facility may be a Long Term Care Facility if it meets this definition.

POLICY NUMBER	528473	1/24/96	EFFECTIVE DATE
INSURED	MARY I WHITE	1/24/97	FIRST RENEWAL DATE
AGE	67	\$1000.00	INITIAL PREMIUM
TERM	ANNUALLY	\$975.00	RENEWAL PREMIUM (SUBJECT TO CHANGE)

COVERED SPOUSE -NONE-

BENEFITS

LONG TERM CARE BENEFITS

Daily Benefit Amount	\$130.00
Elimination Period	000 Days
Maximum Benefit Period	3 Year(s)

THE PREMIUM SHOWN ABOVE INCLUDES PREMIUMS FOR ANY BENEFIT RIDERS ISSUED ON THE SAME DATE AS THIS POLICY.

BENEFIT RIDERS ISSUED ON THE SAME DATE AS THE POLICY:

"LONG TERM CARE" means care of the type regularly and customarily given Long Term Care Facility patients on a 24-hour-a-day basis. It must be: 1) care that can either improve or maintain the Insured Person's condition or attempt to do so; 2) care supervised by licensed and qualified professional personnel; and 3) care which is not normally available in a Hospital.

"MEDICALLY NECESSARY" means necessary as determined by and in accordance with existing standards of medical practice for the Injury or Sickness that resulted in the Home Health Care, Long Term Care. Medically Necessary care is such that it could not be omitted without adversely affecting your medical condition.

"MENTAL OR NERVOUS DISORDER" means a neurosis, psychoneurosis, psychopathy, psychosis or other mental or emotional disorder without demonstrable organic origin. (Note: CLINICALLY DIAGNOSED ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN SYNDROMES ARE COVERED BY THE POLICY).

"PERIOD OF CONFINEMENT" means the period of time that begins on the first day you incur a charge for a covered Long Term Care Facility Confinement. A Period of Confinement ends when you complete a 180 day period during which you were not Confined in a Long Term Care Facility. Confinement which follows a previous Period of Confinement will be deemed a confirmation of the first unless it is separated from the first by 180 days or more. The Elimination Period must be satisfied at the beginning of each new Period of Confinement.

"PHYSICIAN" means any licensed practitioner of the healing arts operating within the scope of his or her license.

"PRE-EXISTING CONDITION" means a condition for which medical advice or treatment was recommended by or received from a Physician, within six months preceding the Effective Date of coverage.

"SICKNESS" means sickness, illness or disease diagnosed or treated by a Physician after this Policy's Effective Date and while this Policy is in force.

LONG TERM CARE BENEFITS

We will pay a benefit for each day you or your Covered Spouse are Confined in a Long Term Care Facility. The benefit will be the Daily Maximum Benefit set forth in this Policy Schedule.

MAXIMUM BENEFIT PERIOD - The Maximum Benefit Period for Long Term Care is set forth in the Policy Schedule. The Maximum Benefit Period is the maximum benefit we will pay for any one Period, or all Periods of Confinement combined, during your or your Covered Spouse's lifetime, unless benefits are restored as provided for in the Restoration of Benefits provision.

LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS *{Sec Amendment Rider, Pg 10}*

Our payment of any benefit under this Policy is subject to the following: 1) your loss must be incurred after the Policy's Effective Date and while the Policy is in force; and 2) you must satisfy the Elimination Period which is set forth in the Policy Schedule. Benefits are also subject to the Maximum Benefit Periods set forth in the Policy Schedule. In addition, you must satisfy one of the following requirements: 1) your Long Term Care must be certified as Medically Necessary by a Physician; 2) you must be unable to perform, without the assistance of another person, two or more Activities of Daily Living (ADL's); or 3) you must require continuous supervision and assistance due to a Cognitive Impairment. In order to qualify under 2) or 3) above, your Physician must perform such tests as are in accordance with accepted standards of medical practice, and based on such tests, certify to the existence of your Cognitive Impairment or Inability to perform two or more Activities of Daily Living.

RESTORATION OF BENEFIT

If you or your Covered Spouse, as applicable, have received benefits under the Policy and have used up a portion of your Maximum Benefit Period, but have recovered sufficiently to no longer require Long Term Care, we will restore your Maximum Benefit Period, to its full original maximum, each time you meet the following qualifications: 1) You or your Covered Spouse, as applicable, must not have received Long Term Care for a period of 180 consecutive days; and 2) Your Physician must certify that you have sufficiently recovered to no longer require any of the foregoing services and that you were not advised to obtain Long Term Care.

WAIVER OF PREMIUM BENEFIT

We will waive the payment of each premium coming due after benefits have been payable under this Policy for at least 90 continuous days. The premium payment waived will be the premium based on your last mode of payment prior to the time your benefits commenced. The premium waived will be the premium applicable only to that person receiving benefits. Premium will be payable again on the premium due date next following the date benefits stop.

PRE-EXISTING CONDITIONS LIMITATION

No loss due to a Pre-Existing Condition will be covered unless the Long Term Care Confinement begins at least six months after the Effective Date of coverage. The Policy is not considered to be in force or effective with respect to coverage for the Pre-Existing Conditions until six months after the Effective Date shown in the Policy Schedule.

EXCLUSIONS

Benefits are not provided for loss caused by: (1) routine physical examinations; (2) Injury or Sickness for which benefit is payable under any Worker's Compensation or Occupational Disease Law; (3) simple rest care, hotel or retirement home expense or other expense which is related to your residence and not a result of Long Term Care; (4) declared or undeclared war or act of war; (5) mental, nervous or emotional disorders without demonstrable organic origin (**Note: This exclusion does not apply to Alzheimer's Disease or other organic brain syndrome. These diseases are covered by the Policy like any other sickness subject to the Pre-Existing Conditions Limitation.**); (6) charges for Care or Service that you, or your Covered Spouse, would not be legally obligated to pay in the absence of this Insurance; (7) attempted suicide or intentional self-inflicted injury; (8) drug or alcohol use unless administered by a Physician; and (9) your participation in a felony, riot or insurrection.

COORDINATION WITH MEDICARE

The following applies to this Policy only if required by either state or federal law: Benefits otherwise payable under this Policy will be reduced by any amounts paid by Medicare for the same care, services, or supplies.

REPLACEMENT PROVISION

If this Policy immediately replaces another Long Term Care policy or certificate, we will waive the Pre-Existing Conditions Limitation for similar benefits to the extent that the Limitation has been satisfied under the replaced policy.

EXTENSION OF BENEFITS

Termination of this Policy shall be without prejudice to any confirming benefits payable for loss which began while this Policy was in force and continues without interruption after termination. Such extension of benefits beyond the period this Policy was in force will be limited to the duration of the Maximum Benefit Period as shown on the Policy Schedule, and will be subject to any Elimination Period shown on the Policy Schedule, and all other applicable provisions of this Policy.

TERMINATION AND CONVERSION OF COVERAGE FOR COVERED SPOUSE

Coverage for a Covered Spouse will terminate on the earlier of: 1) the date the Policy terminates; 2) the end of the last Term for which premium is paid for the Covered Spouse; or 3) the day before the premium due date following the date of divorce, annulment, dissolution or legal separation (where recognized) from the Insured. If we accept any premium subsequent to these dates, Insurance will continue until the end of the term for which premium was accepted. Any termination will be without prejudice to any continuing benefits payable under the Policy for a loss which commenced prior to termination. If coverage for the Covered Spouse terminates as a result of one of the above circumstances, the Covered Spouse will have the right to: (1) make written request, within 31 days of such termination, that a new policy be issued naming the Covered Spouse as the Insured; and (2) have a new policy issued without requiring evidence of insurability. The new policy will be effective on the date of the written request subject to our receipt of applicable premium. The new policy will be one which: (1) is then currently utilized by us; (2) contains benefit and renewal provisions at least as favorable as those contained in this Policy. For purposes of the Time Limit on Certain Defenses Provision and the Pre-Existing Conditions Limitation, the Effective Date of coverage under the new policy will be considered to be the same as that for this Policy.

ENTIRE CONTRACT: This Policy, along with the application and any attached papers, constitutes the entire contract between you and us. No change is valid until: (1) approved by one of our executive officers; and (2) endorsed hereon or attached hereto. No agent has authority to change this Policy or waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: (a) After two years from the Effective Date of coverage, no misstatements, except fraudulent ones, made in the application may be used to void this Policy or that coverage, or deny a claim for loss incurred commencing after the two year period. (b) No claim for loss incurred commencing after six months from the Effective Date of coverage shall be reduced or denied because a sickness or physical condition not excluded from coverage by name or specific description had existed prior to the Effective Date of coverage of this Policy.

GRACE PERIOD: A grace period of 31 days is granted for the payment of each premium due after the first premium, during which time the Policy continues in force. When a claim is paid, any premium due and unpaid may be deducted from the claim payment.

THIRD PARTY LAPSE DESIGNEE: Unless you declined to do so in your application, you named a third party as your authorized designee to be notified when the lapse of your Policy is imminent. It is our responsibility to notify this designee prior to cancelling your Policy due to the lack of premium payment. This notification will occur at least 30 days before the date your Policy will lapse. Notice shall be deemed to have been given as of 5 days after the date of mailing. You may, at any time, change your designee by giving us written notice. We will provide you written notice of this opportunity to change your designee at least once every two years.

REINSTATEMENT: If the Renewal Premium is not paid before the Grace Period ends, this Policy will lapse. Later acceptance of the premium by us, or by our agent authorized to accept payment, without requiring an application for reinstatement, will reinstate the Policy. If we require a reinstatement application, you will be issued a conditional receipt for the premium. If we approve your reinstatement application, the Policy will be reinstated as of the date of our approval. If we disapprove your application, we must do so in writing within 30 days of the conditional receipt. Otherwise, your Policy will be reinstated 30 days after the date of the conditional receipt. The reinstated Policy will cover only loss resulting from accidental injury as may occur after the date of reinstatement and loss due to sickness as may begin more than 10 days after that date. In all other respects, both your rights and our rights under the Policy will be the same as before termination subject to any provisions endorsed hereon or attached in connection with the reinstatement. Any premiums we accept for a reinstatement will be applied to a period for which premiums have not been paid. No premium will be applied to any period more than 60 days before the date of reinstatement.

EXTENDED REINSTATEMENT: Within 5 months after the Policy lapses for nonpayment of the Renewal Premium, you, or any authorized person acting on your behalf, may request reinstatement of the Policy if you were diagnosed as having a Cognitive Impairment at the time the Policy lapsed. We may request that a Physician certify that diagnosis of Cognitive Impairment was established at the time the Policy lapsed. Upon receipt of such certification, the Policy will be reinstated.

NOTICE OF CLAIM: We must receive written notice of claim within six months of loss; if not, as soon as reasonably possible. Notice to the Home Office or authorized agent is acceptable. Notice should include name and policy number.

CLAIM FORMS: We will furnish forms to prove loss. We will do so upon our receipt of notice of claim. If forms are not furnished within 15 days, you will be considered to have complied if, within the time for filing proof, you give us written proof specifically describing the loss.

PROOF OF LOSS: You must give us written proof of loss within six months of the loss occurring. If you have a good reason for not doing so, we will not contest the claim. However, you must give us proof no later than one year from the time normally required unless legally incapable.

TIME OF PAYMENT OF CLAIMS: Benefits payable under this Policy for any loss, other than loss for which periodic payment is provided, will be paid immediately upon receipt of written proof of loss. Subject to written proof of loss, all accrued benefits for loss for which periodic payment is provided will be paid monthly. Any balance remaining unpaid at the end of our liability will be paid immediately upon receipt of written proof.

GENERAL PROVISIONS (continued)

PAYMENT OF CLAIMS: All benefits will be payable to you. Any accrued benefits unpaid at your death will be paid to you Beneficiary.

PHYSICAL EXAMINATION: At our expense, we shall have the right and opportunity to examine you or your Covered Spouse, if applicable, when and as often as we may reasonably require while a claim is pending.

LEGAL ACTIONS: No legal or equitable action may be brought to recover on this Policy sooner than 60 days after written Proof of Loss has been furnished to us. No action may be brought after 3 years (5 years in Kansas; 6 years in South Carolina; the expiration of the applicable statute of limitations in Florida) from the time written Proof of Loss is required to be given.

BENEFICIARY: The Beneficiary of any benefit or return of premium subsequent to your death is that person named in the application. If no Beneficiary is named, payments will be made to your estate. You may change your Beneficiary at any time. To do so, a written request on a form satisfactory to us must be made to our Home Office. When we record the change, it will take effect as of the date you signed it. The change will not apply to any payment made by us before the request was recorded.

MISSTATEMENT OF AGE: If your age has been misstated, all amounts payable shall be such as the premium paid would have purchased at the correct age.

CONFORMITY WITH STATE STATUTES: Any provision of this Policy, which on its Effective Date conflicts with the statutes of your state on such date is hereby amended to conform to its minimum requirements.

CANCELLATION BY INSURED: NON-CANCELLATION BY US: You may cancel this Policy at any time by giving us written notice. Cancellation will be effective either (1) upon our receipt or (2) the date specified in your notice, whichever is later. We will return promptly the prorata unearned portion of any premium paid. Cancellation is without prejudice to an claim starting before the cancellation date and continuing thereafter. We can't cancel this Policy subject, however, to our right to refuse renewal in accordance with the provisions found herein.

IN WITNESS WHEREOF, we have caused this Policy to be signed by our President and Secretary.


Susan T. Mankowski
Secretary


John A. Powell
President

Countersignature of Licensed Resident Agent:

____ (if required by State)

LONG TERM CARE AND HOME HEALTH CARE INSURANCE POLICY

AMERICAN TRAVELLERS LIFE INSURANCE COMPANY

Bensalem, Pennsylvania 19020

ALTERNATIVE PLAN OF CARE RIDER

This Rider is Subject to all the terms, provisions, definitions and exclusions of the Policy, except as stated in this Rider. This Rider is a part of the Policy to which it is attached.

EFFECTIVE DATE - RENEWABILITY - TERM

This Rider takes effect at the same time and will continue for the same term as the Policy unless a different Rider Effective Date or Rider Term is indicated below. This Rider is renewable at the same time and under the same terms as the Policy. This Rider will terminate on the date the Policy terminates.

ALTERNATIVE PLAN OF CARE

If you would otherwise qualify for benefits, we will consider paying for the cost of services you require under a written alternative plan of care. Such alternative care must be a medically acceptable alternative to Long Term Care or Home Health Care.

The alternative plan of care must be initiated by you. It must be developed and written by your physician and consistent with generally accepted medical practices. Those parts which are mutually agreeable to you, your physician and us will be adopted.

Alternative care may include but not be limited to: (1) special treatments; (2) different sites of care; or (3) modifications to your residence to accommodate your needs. Suggested services and benefit levels may be different from, or not otherwise covered by, the policy. If so, they will be paid at the levels specified in the alternative plan of care.

Agreement to participate in an alternative plan of care will not waive any of your rights or our rights under the Policy. However, the total of all benefits paid under this Rider will be an offset to those otherwise payable under the Policy to the extent that is agreed to by you and us in the written alternative plan of care.

This area will be left blank unless Rider Effective Date differs from Policy Effective Date.

A Part of Policy Number _____ **Insured** _____

Rider Effective Date _____ **Rider Term** _____

In witness Whereof, we have caused this Rider to be signed by our President.



John A. Powell
President

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**IMPORTANT INFORMATION****UNDERSTANDING YOUR "ALTERNATIVE PLAN OF CARE" BENEFIT
(Rider form series ATL-APC)**

Your Alternative Plan of Care benefit is an important policy benefit that can provide you with the resources you need to pay for types of care other than nursing home confinement. Alternative Care could include home health care, adult day care, respite care, hospice services, different sites of care, and modifications to your residence to accomodate your mobility needs.

However, it is important that you understand the following **requirements** regarding the Alternative Plan of Care benefit:

1.) The Alternative Plan of Care must be initiated by you, written by your Physician and submitted to us for pre-approval **prior to your receipt of any form of Alternative Care.**

2.) **We will not pay benefits for any type of Alternative Care unless we are first reasonably satisfied that you would otherwise require nursing home confinement.** To help us in this determination we generally employ a **Case Management Agency**. A Case Management Agency is an entity qualified to perform an independent assessment to determine whether your inability to perform Activities of Daily Living, or Cognitive Impairment, is such that nursing home confinement would be warranted, based on existing standards of medical practice, in the absence of the Alternative Care. For example, we will not agree to Alternative Care benefits if you require such care for only a few hours per day or if the level of care you require is such that an ordinarily prudent person would not consider nursing home confinement a viable or realistic option.

3.) In addition, we must agree to the type of care and the amount of benefit we will pay. Typically, **the amount of benefits payable will be less under the Alternate Plan of Care** than the policy benefit for nursing home confinement.

4.) All Alternate Care benefits will be paid pursuant to a written agreement which will describe the type of care, the amount of benefits, the time period for which benefits will be payable and the extent to which the benefits will offset those otherwise payable under your policy

It is important to note that **you have not been charged any additional premium for this benefit. It is for this reason that the Alternate Plan of Care benefit is intended to be paid only if we would have otherwise paid the nursing home benefit under the policy.**

The foregoing requirements are more restrictive than if you were to purchase specific coverage to provide, for example, home health care benefits. Under specific home health care coverage you do not have to first demonstrate the need for nursing home care in order to receive home health care benefits. If you prefer this more liberal coverage for home health care please contact your agent or our home office for further information.

AMERICAN TRAVELLERS LIFE INSURANCE COMPANY
Bensalem, Pennsylvania 19020

AMENDMENT RIDER

This Rider is a part of the Policy to which it is attached.

The provision in the Policy entitled "Limitations or Conditions on Eligibility for Benefits" is hereby deleted and replaced by the following:

LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS

Our payment of any benefit under this Policy is subject to the following: 1) your loss must be incurred after the Policy's Effective Date and while the Policy is in force; and 2) you must satisfy the Elimination Period which is set forth in the Policy Schedule. Benefits are also subject to the Maximum Benefit Period set forth in the Policy Schedule. In addition, you must satisfy one of the following requirements: 1) your Long Term Care must be certified as Medically Necessary by a Physician; 2) you must be unable to perform, without the assistance of another person, two or more Activities of Daily Living (ADL's); or 3) you must require continuous supervision and assistance due to a Cognitive Impairment. In order to qualify under 2) or 3) above, your Physician must perform such tests as are in accordance with accepted standards of medical practice, and based on such tests, certify to the existence of your Cognitive Impairment or inability to perform two or more Activities of Daily Living.

In addition, the definitions for "Confined or Confinement" and "Long Term Care" are hereby deleted and the following are hereby added to the Policy:

"Activities of Daily Living (ADL's)" are: bathing (getting in and out of the bath tub or shower, utilizing normal bathroom facilities that have been equipped with railings and steps); dressing (tying shoes, buttoning buttons or clasps); eating (consuming food or drink, or utilizing utensils, appropriate for the person's physical condition and which are placed within reach); toileting (maintaining adequate bathroom hygiene and toilet habits); and transferring to or from bed or chair (getting from a bed to a chair or a chair to a bed).

"Cognitive Impairment" means a deficiency in the ability to think, perceive, reason and/or remember that results in the inability to take care of oneself without the continuous supervision and assistance of another person. Cognitive Impairment is evaluated and measured through clinical evidence and standardized tests. Cognitive Impairment is indicated by measurable deficits in memory, orientation or reasoning, such as those caused by Alzheimer's Disease or similar forms of senility or irreversible dementia.

"Confined or Confinement" means assigned to a bed and physically within a Long Term Care Facility, while coverage is in force.

"Long Term Care" means care of the type regularly and customarily given Long Term Care Facility patients on a 24-hour-a-day basis. It must be: 1) care that can either improve or maintain the Insured Person's condition or attempt to do so; 2) care supervised by licensed and qualified professional personnel; and 3) care which is not normally available in a Hospital.

ATL-TRIG-LTC1-R

Notwithstanding anything to the contrary contained in the Policy, the following language is hereby added:

COORDINATION WITH MEDICARE

The following applies to this Policy only if required by either state or federal law:

Benefits otherwise payable under this Policy will be reduced by any amounts paid by Medicare for the same care, services, or supplies.

In all other respects, this Policy shall remain as is.

EFFECTIVE DATE - RENEWABILITY - TERM

This Rider takes effect at the same time and will continue for the same term as the Policy unless a different Rider Effective Date or Rider Term is indicated below. This Rider is renewable at the same time and under the same terms as the Policy. This Rider will terminate on the date the Policy terminates.

This area will be left blank unless Rider Effective Date differs from Policy Effective Date

A Part of Policy Number _____ Insured _____

Rider Effective Date _____ Rider Term _____ Rider Term Premium _____

In Witness Whereof, we have caused this Rider to be signed by our President.



John A. Powell
President

NEW !!



COPY

Long Term Care Protection



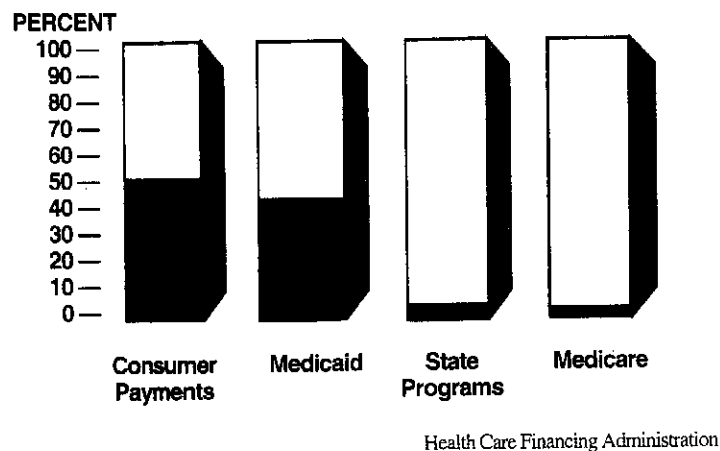
*Unlimited Coverage for Custodial, Intermediate
and Skilled Care
PLUS Alternate Care Benefits!*

GUARANTEED RENEWABLE FOR LIFE

Who Really Pays For Long Term Care?

Benefits

Percentage of Long Term Care Costs



Facts:

According to the Department of Health and Human Services...

One in four senior citizens will be confined to a nursing home at sometime during their lifetime!

fact: The average cost of a nursing home confinement is **\$30,000 per year!**⁽²⁾

fact: Medicare covers only **2%** of nursing home expenses.⁽¹⁾

fact: **One in two senior citizens will become financially impoverished** as a result of a nursing home facility confinement within six months.⁽³⁾

⁽¹⁾Department of Health and Human Services

⁽²⁾U.S. News & World Report, 1990

⁽³⁾U.S. Government Accounting Office

You never need to be hospitalized to qualify for benefits

We Pay For:

Custodial, Intermediate, or Skilled Care.

We will pay you Cash Benefits up to

\$150.00 per day

or

\$4,500.00 per month

for as long as your lifetime !!

Unlimited Benefits

(depending on option chosen)

Plus... ALTERNATE CARE*

You may be eligible to collect benefits* under our Alternate Plan of Care benefit . . . this benefit can give you the flexibility to use the type of care that's right for you . . .

- ✓ Home Health Care, Adult Day Care, Respite Care or Hospice Service
- ✓ Modifications to your home such as building ramps to aid in mobility
- ✓ Any other type of service that can help keep you out of a nursing home

FLEXIBILITY • PEACE OF MIND

FREEDOM OF CHOICE

*Alternative Plan of Care benefits are payable only if nursing home confinement would otherwise be required. See additional details regarding the Alternative Plan of Care benefit elsewhere in this brochure. Read your policy carefully.

***Are you
fu***

PLAINTIFF'S EXHIBIT 1

Sandra Kurt, Summit County Clerk of Courts

Features

Your Plan

The following standard features are included in your Long Term Care Policy...

Guaranteed Renewable for your lifetime!

- **Restoration of Benefits...** 100% of any benefits used are **restored** if you have recovered and not received or required Long Term Care of any kind for a period of six consecutive months!
- **Waiver of Premium...** after 90 days!
- **Pre-Existing conditions...** are covered after **Six Months!**
- **Easy to qualify for benefits in any one of three ways...**
 - Inability to perform two or more Activities of Daily Living;
 - Cognitive Impairment; or
 - Medical Necessity
- **Alzheimer's Disease/Senility...** are covered as any other sickness!
- Cash benefits are **paid directly to you ...** unless you specify otherwise!
- **Thirty-day Money Back Guarantee** if you are not completely satisfied with your policy for any reason!
- **Rates will never change...** on your individual policy unless they are changed for all policies in your state on the same policy form series (ATL-LTC-1)!
- **Benefits begin on the first day of covered confinement.** You may however, select an optional elimination period of 100 days at a reduced premium.

Proposal for:

Name MARY Age _____

Spouse _____ Age _____

Benefits You Have Selected:

Daily Benefit \$ 130.00

Benefits payable for 3 Year(s)

Elimination Period 0 Days

Inflation Protection* ☐ Yes
☒ No

Husband and Wife Discount:

10% on highest premium if applying at the same time

☐ Yes
☐ No

Premium: \$ 975

per YEAR

*Optional coverage is available at 5% per year compounded

IMPORTANT INFORMATION ABOUT YOUR "ALTERNATIVE PLAN OF CARE" BENEFIT

Any Alternative Plan of Care must be initiated by you, written by your Physician and submitted to us for pre-approval prior to your receipt of any form of alternative care. Benefits will not be paid unless we are reasonably satisfied that you would otherwise require nursing home confinement. We generally require that a Case Management Agency perform an independent assessment to determine whether your inability to perform Activities of Daily Living or Cognitive Impairment is such that nursing home confinement would be warranted, based on existing standards of medical practice, in the absence of the alternative care. For example, we generally will not agree to pay benefits for alternative types of care if you require such care for only a few hours a day or if the level of care you require is such that an ordinarily prudent person would not consider nursing home confinement a viable or realistic option. Benefits paid for alternative types of care will generally be less than the nursing home benefit under the policy. **There is no additional premium charged for the Alternative Plan of Care benefit.**

Limitations and Exclusions

- (A) Loss due to Pre-Existing Conditions (conditions for which medical advice or treatment was recommended by or received from a provider of health care service within a 6 month period immediately preceding your Effective Date) will not be covered unless the loss begins after coverage has been in force for 6 months after the Effective Date.
- (B) Services provided by Long Term Care Facilities as defined in the Policy, are the only services that may be eligible for coverage, except as provided for in the Alternate Care Plan.
- (C) Unlicensed providers are not eligible nor are services provided by Immediate Family members.
- (D) Benefits are not provided for loss caused by: (1) routine physical examinations; (2) Injury or Sickness for which compensation is payable under any Worker's Compensation or Occupational Disease Law; (3) simple rest care, hotel or retirement home expense or other expense which is related to your residence and not a result of Long Term Care; (4) declared or undeclared war or act thereof; (5) Mental, Nervous or emotional Disorders without demonstrable organic origin (Note: This exclusion does not apply to Alzheimer's Disease or other organic brain syndromes. These diseases are covered by the Policy like any other sickness subject to the Pre-Existing Conditions Limitation.); (6) charges for Care or Service that you, or your Covered Spouse would not be legally obligated to pay in the absence of this insurance; (7) attempted suicide or intentionally self-inflicted injury; (8) drug or alcohol use unless administered by a Physician; and (9) your participation in a felony, riot or insurrection.

This brochure is an illustration, not a contract, based on Long Term Care policy form ATL-LTC-1-OH-94.
For complete details, review a specimen policy with your agent and ask for an Outline of Coverage.



**AMERICAN TRAVELLERS
LIFE INSURANCE COMPANY**
ATL LIFE INSURANCE COMPANY IN TX & CA

"On

Premium Receipt

All premium checks must be made payable to the

PLAINTIFF'S EXHIBIT 1

Do not make your check payable to the agent, or leave it payable to the agent.

Received from MARY WHITE the sum of \$ 1000.⁰⁰

This payment is the premium required for the first 12 months of coverage.

Date: Jan 24, 1996 Agent: Richard [Signature] Phone: 513-661-2409

If you do not receive your policy within 45 days from the date of application, please write the Company.

Sandra Kurt, Summit County Clerk of Courts

Claim Complaint Procedure

If you dispute your claim determination you may initiate a review of the claim by following this procedure:

You may call a Customer Service Representative at **1-800-441-3978**. When calling please have your policy and claim numbers available. If you prefer to write you may send your questions to:

**Claims Supervisor
American Travellers Life Insurance Company
P.O. Box 8506
Bensalem, Pa 19020-8506**

Please include your policy number and a copy of the claim you are questioning. If you cannot include a copy of the claim in question, please include the claim number in your letter.

Once your complaint has been received it will be sent to a Claims Supervisor for the following:

1. Verification that the reject code which appears on the EOB matches the denial reason stated in the claim file.
2. The file will then be reviewed to insure that denial of the claim was the correct determination to make under the terms of your policy.
3. If the denial stands you will be informed of the reason and given the address of the Ohio Department of Insurance.
4. If the original determination is reversed you will receive notification of this and/or a settlement.

OHIO LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

The Ohio Life and Health Insurance Guaranty Association may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in Ohio. You should not rely on coverage by the Ohio Life and Health Insurance Guaranty Association in selecting an insurance company or in selecting an insurance policy.

Coverage is NOT provided for your policy or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as a variable contract sold by prospectus. You should check with your insurance company representative to determine if you are only covered in part or not covered at all.

Insurance companies or their agents are required by law to give or send you this notice. However, insurance companies and their agents are prohibited by law from using the existence of the guaranty association to induce you to purchase any kind of insurance policy.

Ohio Life and Health Insurance Guaranty Association
1840 Mackenzie Drive
Columbus, Ohio 43220

Ohio Department of Insurance
2100 Stella Court
Columbus, Ohio 43266-0566

SENIOR HEALTH INSURANCE COMPANY OF
PENNSYLVANIA
P.O. Box 64913 • St. Paul, MN 55164
Telephone: 1-877-450-5824

Faxed to Melinda
9/17/13



Faxed again
9/19/13

June 23, 2013

SHELBY CASH, III, MD
5778 DARROW RD., STE. D
HUDSON, OH 44236

W6
—

RE: Alternative Plan of Care (APOC) for: Mary White
Policy Number: 528473
Submitted pursuant to policy form: ATL-LTC-1

Dear Shelby Cash, III, MD:

In order to evaluate Mary Whites eligibility for benefits, we reviewed care plan assessment, care notes, and the results of a recent onsite nursing assessment, have spoken to Ruth White and have determined that Mary White needs assistance with bathing, dressing, toileting, transferring, mobility, and continence.

It is our understanding that Mary White does not desire to receive services in a nursing home setting and wishes to receive care at home. However, Mary Whites policy covers Long Term Care Facility or Assisted Living Facility care, only.

If you have any questions, please call me at 877-450-5824, Monday through Friday, 8:00 a.m. to 6:00 p.m. Eastern Standard Time or visit our website at www.SHIPLTC.com.

Sincerely,

Luanne Bell, LMSW
Care Manager
Long Term Care Claims

7/10/13
WZ
Planned EPT
reviewed
please call
or file

SENIOR HEALTH INSURANCE COMPANY OF PENNSYLVANIA
P.O. Box 64913 • St. Paul, MN 55164
Telephone: 1-877-450-5824



August 1, 2013

MARY I. WHITE
C/O RUTH WHITE
69 COLONIAL VILLAGE
SALMUNGH, ME 04015

RE: 528473

Dear Mary White,

Your claim for benefits was reviewed. Based on the information submitted, your claim cannot be approved. A summary of the review is provided below to assist you in understanding the reason your policy does not provide benefits for the care or services you have requested.

You requested benefits under your Alternative Plan of Care (APOC) rider. In order to determine your eligibility, both you and your physician submitted information on whether admission to a nursing home would otherwise be required for your condition, that your care needs can adequately be met at home and a plan of care describing the type of services sufficient to support your care needs at home. We will not pay benefits for any type of Alternative Care unless we are first reasonably satisfied that you would otherwise require nursing home confinement.

We have carefully reviewed the circumstances of your claim, as well as the information your physician submitted on your behalf. Your physician did not recommend nursing home confinement or indicate that you require a level of care that requires nursing home confinement. In addition, we have carefully considered the circumstances of your claim, including the type, level and frequency of care you have received, as well as the reasons you submitted for making this request. We have determined that we are unable to approve your request for coverage of care outside of an eligible Long Term Care Facility or Assisted Living Facility. This denial is based on the lack of proper medical documentation to support the request that covered benefits, under the policy, are not suitable for you.

Your policy provides benefits for covered services provided by a Long Term Care Facility or Assisted Living Facility. If you continue to qualify for benefits and need assistance in locating an eligible Long Term Care Facility or Assisted Living Facility, please call our Customer Service number below.

PLAINTIFF'S EXHIBIT 3

If you would like us to review any additional information, please write to us at the following address. If you have any questions, please contact Customer Service at 877-450-5824, Monday through Friday, 8:00 a.m. to 6:00 p.m. Eastern Standard Time or visit our website at www.SHIPLTC.com.

Senior Health Insurance Company of Pennsylvania
Attention: Claims Department
P.O. Box 64913
St. Paul, MN 55164

If you wish to dispute the Company's decision on this claim, you may register a complaint by writing to us at the address shown on this letter, or by calling 877-450-5824. In reviewing your complaint, the Company will follow the complaint procedures described in your benefits plan.

Sincerely,



Luanne Bell, LMSW
Care Manager
Long Term Care Claims

Plaintiff's Exhibit 3- p 2